

## Message Text

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ACTION EUR-12

INFO OCT-01 AF-10 ARA-10 EA-10 NEA-10 IO-13 ISO-00  
OES-07 L-03 FRB-03 OMB-01 ITC-01 SP-02 USIA-06  
AGRE-00 AID-05 CIAE-00 COME-00 EB-08 INR-07  
LAB-04 NSAE-00 OIC-02 SIL-01 STR-05 TRSE-00  
CEA-01 SS-15 /137 W  
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R 161413Z DEC 77  
FM USMISSION GENEVA  
TO SECSTATE WASHDC 4184  
AMEMBASSY MOSCOW  
USMISSION USUN NEW YORK  
INFO AMEMBASSY BELGRADE  
AMEMBASSY BUCHAREST  
AMEMBASSY BUDAPEST  
AMEMBASSY PRAGUE  
AMEMBASSY SOFIA  
AMEMBASSY WARSAW  
USMISSION USNATO  
USLO PEKING

C O N F I D E N T I A L GENEVA 12282

E.O. 11652: GDS  
TAGS: EEWT, ECON, UNCTAD, BX, UR  
SUBJECT: INCREASING CEMA COUNTRY INVOLVEMENT IN GLOBAL  
ECONOMIC PROBLEMS

REF: (A) STATE 289920, (B) MOSCOW 12331, (C) MOSCOW 17880

1. EXPERIENCE IN UNCTAD HAS INDICATED THE VALIDITY OF  
THE ARGUMENTS CONTAINED IN MOSCOW'S 12331 AND 17880.  
THE GROUP D COUNTRIES (CEMA IN UNCTAD CONTEXT) HAVE  
GIVEN EVERY INDICATION THAT THEY DO NOT PLAN TO BE  
ANY MORE FORTHCOMING IN ANY WAY TOWARDS THE LDCS AND  
THEIR DEMANDS. THE GROUP D COUNTRIES, WHILE USUALLY  
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MAKING SWEET NOISES ABOUT GROUP OF 77 PROPOSALS, ALMOST  
INVARIABLY TAKE REFUGE IN ONE OF THE FOLLOWING PLOYS:  
(A) SINCE THE COMMUNIST STATES WERE NOT RESPONSIBLE FOR  
THE RAVAGES OF COLONIALISM, THEY HAVE NO RESPONSIBILITY  
FOR ASSISTING THE LDCS; (B) THAT THE PROBLEMS OF LDCS  
STRICTLY STEM FROM THE CRISIS OF THE CAPITALIST SYSTEM,  
THEREFORE THEY ARE NOT INVOLVED; AND (C) WHEN THEIR

INTERESTS COINCIDE WITH THOSE OF THE WESTERN COUNTRIES, THEY MAINTAIN SILENCE, ALLOWING THE GROUP B COUNTRIES TO FIGHT THEIR BATTLES FOR THEM. THE GROUP D STANCE IS USUALLY GREETED BY A DERISIVE COMMENT FROM THE PRC REPRESENTATIVE WHO, WHILE CONDEMNING BOTH SUPER-POWERS, IS PARTICULARLY SCORNFUL OF THE SO-CALLED SOCIALIST SUPERPOWER WHICH HE CHARACTERIZES AS ONLY MAKING SWEET WORDS WHILE EXPLOITING AND PLUNDERING THE LDCS. SUCH STATEMENTS HAVE BECOME SO ROUTINE THAT THEY ARE NEVER EVEN ANSWERED.

2. SINCE THE GROUP D COUNTRIES HAVE BEEN SO INSISTENT AND DOGMATIC IN THEIR REFUSAL TO RESPOND TO THE DEMANDS OF THE GROUP OF 77, THE LATTER GROUP SEEMS TO HAVE ALMOST ENTIRELY ABANDONED ITS EFFORTS TO PLACE PRESSURE ON THE CEMA COUNTRIES TO BE MORE FORTHCOMING. THE MEETING REFERENCED IN PARA 4 OF MOSCOW'S 17880 IS A GOOD CASE IN POINT. THE GROUP OF 77 BIG-GUNS WERE ALMOST ENTIRELY DISTRACTED BY PREPARATIONS FOR THE FORTHCOMING COMMON FUND NEGOTIATIONS AND SENT ONLY A FEW THIRD AND FOURTH STRING REPRESENTATIVES TO THE MEETING ON TRADE OPPORTUNITIES RESULTING FROM CEMA MULTILATERAL SCHEMES OF DEVELOPMENT. MOST OF THE TIME MORE GROUP B COUNTRIES WERE REPRESENTED THAN G-77 COUNTRIES. THE G-77 REPRESENTATIVES, IN ADDITION TO BEING VERY JUNIOR, WERE ALMOST COMPLETELY UNKNOWLEDGE-  
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ABLE ABOUT THE SUBJECT, WITH THE RESULT THAT TRADE WITH SOCIALIST STATES PORTION OF THE UNCTAD SECRETARIAT (WHICH IS DOMINATED ALMOST ENTIRELY BY GROUP D NATIONALS) AND GROUP D MEMBERS WERE ABLE TO COMPLETELY BLOCK ADOPTION OF ANY PROPOSAL MADE BY THE G-77. THE MEETING EVENTUALLY BROKE-DOWN COMPLETELY BECAUSE OF THE BRUTAL AND HEAVY HANDED TACTICS OF THE GROUP D REPRESENTATIVES. WHILE THE GROUP D TACTICALLY APPEARED MORE FORTHCOMING IN A SUBSEQUENT MEETING ON CEMA MULTILATERAL SYSTEM OF PAYMENTS, THE ACTUAL RESULTS WERE EXACTLY THE SAME -- NOTHING.

3. IN THE PAST, GROUP B IN GENEVA, LED BY THE REPRESENTATIVE OF THE FRG, HAS ATTEMPTED TO COACH THE G-77 ON ITS APPROACHES TO THE GROUP D COUNTRIES AND HAS TRIED TO STEER THE MEETINGS SO THAT THE GROUP D WILL HAVE TO BE MORE FORTHCOMING. THE MAIN RESULT WAS EXTREME GROUP D ACRIMONY TOWARDS GROUP B AND ITS SPOKESMAN, A LARGE VERBAL SIDE-SHOW, AND THE ULTIMATE COLLAPSE OF G-77 EFFORTS TO OBTAIN ANY SORT OF COMMITMENT FROM THE CEMA COUNTRIES. INDIVIDUAL G-77 DELEGATIONS AT UNCTAD

HAVE INDICATED MANY TIMES OVER THAT THEY HAVE VIRTUALLY  
GIVEN UP ATTEMPTING TO GET ANYTHING FROM THE CEMA  
COUNTRIES IN THE MULTILATERAL CONTEXT. VANDEN HEUVEL

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## Message Attributes

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